

INDEX RULE BOOK

Euronext Eurozone ESG Transition Index Family

Version 23-01

Effective from 02 March 2023

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1. GENERAL

This document is applicable to the Euronext Eurozone ESG Transition Index ("Index Family"), which consists of all the Indices as mentioned in the Reference Table.

The Euronext Eurozone ESG Transition Index is designed to reflect the price level trends in the trading of shares listed in Eurozone.

Euronext Paris is the Administrator of this Index Family. For this Index Family no Independent Supervisor is appointed.

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VERSION NOTES

Version	Effective date	New or changed parts	Reference/announcement
23-01	2 Mar 2023	First version	

2. INDEX REVIEWS

2.1 REVIEW FREQUENCY AND RELEVANT DATES

Review frequency:	Annual
Review Effective Date:	After the market close of the third Friday of March. Reviews are implemented spread over 5 trading days from the Review Effective Date
Review Cut-Off Date:	After the market close of the penultimate Friday of February.
Review Announcement Date:	At least two trading days before the Review Effective Date.
Review Weighting Date:	Three trading days before the Review Effective Date.
Review Weighting Announcement Date:	Two trading days before the Review Effective Date

2.2 REVIEW SELECTION

Step 1: Index Universe

Index Universe definition

The index universe consists of all companies included in the Euronext Eurozone 300 Index. At reviews this means included in the reference index after the close of the Review Effective Date.

Step 2: Eligibility screening at reviews

The Companies with any of the following characteristics are not eligible:

- Companies with a **Free float market capitalisation lower than 3 Billion euro**.
- Companies with an **3-months Average Daily Traded Value lower than 10 million euro**. Companies that have been traded less than 50% of the 3-months period are not eligible for this index
- Companies among the **worst 20% Environmental score** from the starting universe
 - o In case of equal score, companies will rank in such a way that companies with lower FFMC will be excluded
- Companies among the **worst 20% Social score** from the starting universe
 - o In case of equal score, companies will rank in such a way that companies with lower FFMC will be excluded

- Companies among the **worst 20% Governance score** from the starting universe
 - o In case of equal score, companies will rank in such a way that companies with lower FFMC will be excluded

- **Carbon Risk Rating**

Exclusion topic	Exclusion criteria	ISS-ESG Field Name
Carbon Risk Rating	Carbon Risk Rating < 25	CarbonRiskRating

- **Breaches of international standards:**

Exclusion topic	Exclusion criteria	ISS-ESG Field Name
Breaches of international standards	Flagged "Red"	NBSOverallFlag

- **Controversial Weapons:**

Exclusion topic	Exclusion criteria	ISS-ESG Field Name
Biological Weapons	Flagged "Red"	BiologicalWeaponsOverallFlag
Chemical Weapons	Flagged "Red"	ChemicalWeaponsOverallFlag
Nuclear Weapons	Flagged "Red"	NuclearWeaponsOverallFlag
Nuclear Weapons Outside NPT	Flagged "Red"	NuclearWeaponsNonNPTOverallFlag
Cluster Munitions	Flagged "Red"	ClusterMunitionsOverallFlag
Depleted Uranium	Flagged "Red"	DepletedUraniumOverallFlag
Anti-personnel Mines	Flagged "Red"	APMinesOverallFlag

- **Coal Activities:**

Exclusion topic	Exclusion criteria	ISS-ESG Field Name
Fossil Fuel - Total Coal Production Maximum Revenue Share	Any involvement	FossilFuelTotCoalProdRevShareMax

- **Unconventional Oil & Gas:**

Exclusion topic	Exclusion criteria	ISS-ESG Field Name
Arctic Drilling - Total Maximum Percentage of Revenues (%)	Any involvement	ArcticDrillingShareMax
Oil Sands - Production Maximum Percentage of Revenues (%)	Any involvement	OilSandsProdMaxRev

Shale Oil and/or Gas - Involvement Tie	Involvement in the production	ShaleOilGasInvolvement
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- **Conventional Oil & Gas:**

Exclusion topic	Exclusion criteria	ISS-ESG Field Name
Fossil Fuel - Total Maximum Percentage of Revenues	Derived Turnover > 10%	FossilFuelRevShareMax
Fossil Fuel - Total Power Maximum Revenue Share (%)	Derived Turnover > 50%	FossilFuelTotalPowerRevShareMax

- **Tobacco:**

Exclusion topic	Exclusion criteria	ISS-ESG Field Name
Tobacco - Production Maximum Percentage of Revenues (%)	Any involvement	TobaccoProdMaxRev
Tobacco - Distribution Maximum Percentage of Revenues (%)	Derived Turnover > 5%	TobaccoDistMaxRev

- **Military equipments:**

Exclusion topic	Exclusion criteria	ISS-ESG Field Name
Military Equipment and Services - Prod & Serv Rev Share Max (%)	Derived Turnover > 10%	MilitaryEqmtProdServMaxRev

The Euronext ESG Providers Methodologies document gives a detailed background on various scoring methodologies, controversial activities and controversies assessments.

Step 3: Ranking of companies

Companies are ranked based on the Carbon Risk Rating Score. In case of equal score, the company with the biggest Free float market cap ranks better.

Step 4: Selection of constituents at the review

The top 80 companies by Carbon Risk Rating are included in the pool of eligible companies. A maximum of 10 companies within each Industry can be selected.

In case the number of selected Companies in the pool of eligible companies is below 50, the top ranked companies from the companies not part of the pool of eligible companies based on Carbon

Risk Rating are selected until 50 companies are selected. In case of equal score, the company with the biggest Free float market cap ranks better. A maximum of 1 company by Industry can be selected.

In case less than 50 companies are selected, we reiterate the process of selecting the top ranked companies by Carbon Risk Rating, with a maximum of 1 company by Industry and by iteration, until 50 companies are selected.

Out of the pool of eligible companies, the current components of the index are selected.

In case the number of selected companies is below 50, the remaining Companies are ranked based on the Carbon Risk Ratings. If two companies have the same Carbon Risk Rating, we will select the one with the highest free float market cap. The Companies with the highest Carbon Risk Ratings are selected until 50 Companies are selected.

2.3 PERIODICAL WEIGHTING UPDATE

Weighting method

The index is Free-float Market Capitalization weighted.

The Weighting Factors are explained in the following paragraphs.

Number of shares

At each review, the number of shares included in the index will be updated with the number of shares listed on the Review Cut-Off Date.

Free Float factor

All Free Float Factors are updated at each review.

Capping Factor

At each review, the constituents are subject to a maximum weighting of 10%. The capping factors are determined based on closing prices observed on the Review Weighting Date.

Implementation process

In order to limit the price and volume effects of the reviews, the reshuffles will be spread over a 5-day period, the Review Implementation Period. This period will start on the Review Effective Date after the close. In order to spread this equally over a 5-days period the difference between the initial Adjusted Number of Shares and target Adjusted Number of Shares is taken as starting point. The initial Adjusted Number of Shares is computed as follows: Initial Number of Shares * initial Free Float Factor * initial Capping Factor The target Number Adjusted Number of Shares is computed as follows: New Number of Shares * new Free Float Factor * new Capping Factor 8 The changes are implemented during the 5-days period in which every step contains 20% of the difference between target and initial Adjusted Number of Shares. This is done by adjusting to the potential new Free Float Factor and potential new Capping Factor on the first day of the Implementation period. The Number of Shares in the index during the Implementation period will be adjusted so every step will be 20% of the difference between target and initial Adjusted Number of Shares. For new inclusions and removals in the index, the change will be done in similar steps of 20% on each day during the Review Implementation Period. For new inclusions, this is also done by adjusting to the new Free Float Factor and new Capping Factor on the first

day of the Implementation period. For removals, this is done by only adjusting the number of shares during the first four days of the Review Implementation Period. The number of shares, Free Float Factor and Capping Factor to be implemented on each day during the Review Implementation Period will be announced on the Review Weighting Announcement Date

3. REFERENCES

3.1 REFERENCE TABLE

Index name	ISIN	Mnemo	Bloomber g Code	Reuter s code	Base date	Base value	Publication since	Index Type
Euronext Eurozone ESG Transition	FRESG0001163	EETPR		.EETPR	31/12/2011	1000	02/03/2023	Price
Euronext Eurozone ESG Transition NR	FRESG0001171	EETNR		.EETNR	31/12/2011	1000	02/03/2023	Net
Euronext Eurozone ESG Transition GR	FRESG0001189	EETGR		.EETGR	31/12/2011	1000	02/03/2023	Gross
Euronext Eurozone ESG Transition Decrement 4%	FRESG0001197	EET4D	ESGTRD4	.EET4D	31/12/2011	1000	02/03/2023	Decrement 4% on NR
Euronext Eurozone ESG Transition Decrement 5%	FRESG0001205	EET5D	ESGTRD5	.EET5D	31/12/2011	1000	02/03/2023	Decrement 5% on NR

3.2 BASE CURRENCY

The Base Currency of this index family is Euro.

3.3 PUBLICATION

The opening index level is disseminated at the same time as the first index level.

The index is calculated based on the most recent prices of transactions concluded on the main markets in each of the countries that are included in the index. The level of the index is in principle published every 15 seconds. The index is calculated from 09:00 hours until Euronext Markets stop regular daytime trading on the days when Euronext Markets are open for trading.

The closing level is the last level disseminated on the trading day.

4. ESG DISCLOSURES

EXPLANATION OF HOW ESG FACTORS ARE REFLECTED IN THE KEY ELEMENTS OF THE BENCHMARK METHODOLOGY	
Item 1. Name of the benchmark administrator.	Euronext Paris
Item 2. Type of benchmark	Equity Benchmark
Item 3. Name of the benchmark or family of benchmarks.	Euronext Eurozone ESG Transition
Item 4. Does the benchmark methodology for the benchmark or family of benchmarks take into account ESG factors?	Yes
Item 5. If the response to Item 4 is positive, please find below the ESG factors that are taken into account in the benchmark methodology and how they are used for selection, weighting and exclusion	
a) List of environmental factors considered:	<p>Exclusion :</p> <ul style="list-style-type: none"> • Companies among the worst 20% Environmental score from the starting universe • Companies with a Carbon Risk Rating score < 25 • Companies with any involvement in Fossil Fuel - Total Coal Production Maximum Revenue Share • Companies with any involvement in Arctic Drilling • Companies with any involvement in Oil Sands • Companies with any involvement in production of Shale Oil and/or Gas - Involvement Tie • Companies with % of turnover derived from Fossil Fuel (Total Maximum Percentage of Revenues) > 10% • Companies with % of turnover derived Fossil Fuel (Total Power Maximum Revenue Share) > 50%
b) List of social factors considered:	<p>Exclusion :</p> <ul style="list-style-type: none"> • Companies among the worst 20% Social score from the starting universe • Companies flagged for breaches of international standards • Companies flagged for Biological Weapons • Companies flagged for Chemical Weapons • Companies flagged for Nuclear Weapons • Companies flagged for Nuclear Weapons Outside NPT • Companies flagged for Cluster Munitions • Companies flagged for Depleted Uranium • Companies flagged for Anti-personnel Mines • Companies with any involvement in the Production of Tobacco

	<ul style="list-style-type: none"> Companies with % of turnover derived from the Distribution of tobacco > 5%
<ul style="list-style-type: none"> c) List of governance factors considered: 	<p>Exclusion :</p> <ul style="list-style-type: none"> Companies among the worst 20% Governance score from the starting universe
<p>a) Data input.</p> <p><i>(i) Describe whether the data are reported, modelled or, sourced internally or externally.</i></p> <p><i>(ii) Where the data are reported, modelled or sourced externally, please name the third party data provider.</i></p>	<p>ISS ESG provides :</p> <ul style="list-style-type: none"> CARBON RISK RATING <p>This factor provides a numeric score from 0 to 100 for the rated entity's overall carbon risk. For corporate issuers this score is based on an assessment of over 100 industry-specific indicators and a carbon risk classification at the industry and sub-industry levels.</p> NBS OVERALL FLAG <p>This factor assigns an overall Red, Amber, or Green flag to an issuer based on the issuer's link with any breaches of international standards.</p> BIOLOGICAL WEAPONS - OVERALL FLAG <p>This factor assigns an overall Red, Amber, or Green flag to an issuer based on the issuer's involvement in any biological weapons program.</p> CHEMICAL WEAPONS – OVERALL FLAG <p>This factor assigns an overall Red, Amber, or Green flag to an issuer based on the issuer's involvement in any chemical weapons program.</p> NUCLEAR WEAPONS - OVERALL FLAG <p>This factor assigns an overall Red, Amber, or Green flag to an issuer based on the issuer's involvement in any nuclear weapons program.</p> NUCLEAR WEAPONS OUTSIDE NPT – OVERALL FLAG <p>This factor assigns an overall Red, Amber, or Green flag to an issuer based on the issuer's involvement in any nuclear weapons program outside of the Non-Proliferation Treaty (NPT).</p> CLUSTER MUNITIONS – OVERALL FLAG <p>This factor assigns an overall Red, Amber, or Green flag to an issuer based on the issuer's</p>

	<p>involvement in any cluster munitions program.</p> <ul style="list-style-type: none"> DEPLETED URANIUM – OVERALL FLAG <p>This factor assigns an overall Red, Amber, or Green flag to an issuer based on the issuer's involvement in any depleted uranium program.</p> ANTI-PERSONNEL MINES - OVERALL FLAG: <p>This factor assigns an overall Red, Amber, or Green flag to an issuer based on the issuer's involvement in any anti-personnel mines program.</p> FOSSIL FUEL - TOTAL COAL PRODUCTION MAXIMUM REVENUE SHARE (%) <p>This factor provides the maximum percentage of recent-year revenues for the company's involvement in coal production, including extraction, power generation, and processing and refining.</p> ARCTIC DRILLING - TOTAL MAXIMUM PERCENTAGE OF REVENUES (%) <p>This factor provides the maximum percentage of revenues for the company's involvement in oil and gas extraction through arctic drilling for the most recent fiscal year period.</p> OIL SANDS - PRODUCTION MAXIMUM PERCENTAGE OF REVENUES (%) <p>This factor provides the maximum percentage of revenues for the company's involvement in the extraction and processing of oil sands for the most recent fiscal year period.</p> SHALE OIL AND/OR GAS – INVOLVEMENT TIE <p>This factor identifies issuers involved in shale oil and/or gas. The "Production" value identifies issuers engaged in activities pertaining to the extraction of crude oil and natural gas that is found within shale formations. "Services" identifies issuers engaged in the provision of relevant services, equipment, and/or support to shale operations.</p> FOSSIL FUEL - TOTAL MAXIMUM PERCENTAGE OF REVENUES <p>This factor provides the maximum percentage of recent-year revenues for the issuer's total</p>
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	<p>involvement in fossil fuel, including any exposure in Production, Exploration, Distribution, and Services.</p> <ul style="list-style-type: none"> • FOSSIL FUEL - TOTAL POWER MAXIMUM REVENUE SHARE (%) <p>This factor provides the maximum percentage of recent-year revenues for the company's involvement in the generation of electric power from fossil fuels.</p> <ul style="list-style-type: none"> • TOBACCO - PRODUCTION MAXIMUM PERCENTAGE OF REVENUES (%) <p>This factor identifies the maximum percentage value of revenue derived from involvement in the production of tobacco.</p> <ul style="list-style-type: none"> • TOBACCO - DISTRIBUTION MAXIMUM PERCENTAGE OF REVENUES (%) <p>This factor identifies the maximum percentage value of revenue derived from involvement in the distribution of tobacco.</p> <ul style="list-style-type: none"> • MILITARY EQUIPMENT AND SERVICES - PROD & SERV REV SHARE MAX (%) <p>This factor identifies the maximum percentage value of revenue derived from involvement in the production of military equipment and/or the provision of related services.</p>
<p>b) Verification of data and guaranteeing the quality of those data.</p> <p><i>Describe how data are verified and how the quality of those data is ensured.</i></p>	<p>ISS ESG represents and warrants that to the best of its knowledge the Methodology is robust and reliable, rigorous and capable of validating and verifying including, but not limited to, the following:</p> <ul style="list-style-type: none"> • shall promptly correct any errors made in its computations of the Data and inform Euronext thereof, immediately. • periodically review the Methodology • has clear written rules identifying how and when discretion may be exercised when deviating from the methodology • will inform Euronext prior to making any material change to the Methodology and will provide Euronext with the rationale for such change.
<p>c) Reference standards</p> <p><i>Describe the international standards used in the benchmark methodology.</i></p>	<p>The scope of ISS ESG Norm-Based Research is aligned with the Principles of the U.N. Global Compact and the OECD Guidelines for Multinational Enterprises. These globally endorsed standards translate obligations established in international norms into expectations of what constitutes Responsible Business Conduct.</p>

	<p>Principles of international law referenced and translated for business in leading global frameworks for Responsible Business Conduct include the following :</p> <ul style="list-style-type: none"> • Human rights (among others): <ul style="list-style-type: none"> ○ The International Covenant on Civil and Political Rights (ICCPR) ○ The International Covenant on Economic, Social and Cultural Rights (ICESCR) ○ The Geneva Conventions • Labour rights: <ul style="list-style-type: none"> ○ International Labour Organization (ILO) Conventions • Environmental standards (among others): <ul style="list-style-type: none"> ○ The Rio Declaration on Environment and Development ○ The Convention on Biological Diversity ○ The UN Framework Convention on Climate Change ○ The Paris Agreement • Anti-corruption standards: <ul style="list-style-type: none"> ○ The UN Convention against Corruption • Anti-personnel mines: <ul style="list-style-type: none"> ○ Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction • Biological weapons: <ul style="list-style-type: none"> ○ Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction • Chemical weapons: <ul style="list-style-type: none"> ○ Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction • Cluster munitions: <ul style="list-style-type: none"> ○ Convention on Cluster Munitions • Nuclear weapons: <ul style="list-style-type: none"> ○ Treaty on the Non-Proliferation of Nuclear Weapons and the International Court of Justice's Advisory Opinion on the Legality of the Threat or Use of Nuclear Weapons as well as the Treaty on the Prohibition of Nuclear Weapon
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